



Chapter 90 of the General Statutes of North Carolina, and the rules and regulations promulgated thereunder.

2. Respondent Futrell Pharmacy Services, Inc., located at 119 West Jefferson Street, Jackson, North Carolina, is, and was at all relevant times referred to herein, the holder of Pharmacy Permit No. 3288. The Pharmacy and its employees are, and were at all relevant times, subject to the rules and regulations of the North Carolina Board of Pharmacy and the laws of the State of North Carolina.

3. Between December 2014 and April 2015, on at most seventeen (17) occasions, the Pharmacy engaged in wholesale shipments into other states – including but not limited to Arizona – without having the required non-resident permits. In addition, the Pharmacy shipped some of these drugs in opened, partial packages, which was not permitted by some or all of these states. The Pharmacy made these shipments by using services provided by MatchRx to pair interested buying and selling pharmacies for overstocked prescription drugs. Similar services are provided by other companies, including RxCherryPick, RxTrade and ExchangeMeds. In using the MatchRx service, the Pharmacy relied upon representations that the Pharmacy could lawfully ship to other states using the service. The Pharmacy's representatives acknowledged that they should have researched permitting requirements in other states before shipping there, rather than relying upon MatchRx's representations. Although the Board finds that it was not reasonable for the Pharmacy to rely on the representations of a third-party with a profit motive to cause the Pharmacy to use the service, rather than researching legal requirements on its own, the Board finds that the Pharmacy acted in good faith in its reliance.

4. On April 27, 2015, the Arizona Board of Pharmacy sent a cease and desist letter to the Pharmacy, requesting that the Pharmacy cease shipments into Arizona without a permit.

The Arizona Board of Pharmacy sent similar letters to a number of other North Carolina pharmacies. Upon receipt of this letter, the Pharmacy immediately stopped using the MatchRx service and fully cooperated with the Board's investigation of MatchRx shipments.

5. Although the Pharmacy cooperated completely with the Board's investigation of its shipments through MatchRx, the Board is unable to accurately find the full scope of shipments made to other states because MatchRx refused to cooperate fully with the Board's investigation.

6. On September 16, 2015, an inspection by a Board investigator revealed certain deficiencies in the Pharmacy's documentation of its compounding operations, including a failure to record all of the required details regarding components of compounded products, the names of the persons compounding and verifying the compounded products, the assigned beyond-use date and the descriptions of the final preparations. The Board has received no evidence of any contamination in the Pharmacy's compounded products or injury to any patient. No patient or prescriber has complained to the Board or otherwise reported any issues with any of the Pharmacy's compounded products. The Pharmacy has since cooperated with the Board's efforts to ensure compliance with all applicable laws governing compounding documentation.

7. As substantial mitigating factors in this case, the Board has considered the Pharmacy's cooperation with the investigation, its immediate compliance with its obligations not to ship without wholesale permits (once it was alerted to those requirements), and its efforts to promptly remedy compounding documentation deficiencies.

**CONCLUSIONS OF LAW**

1. All parties are properly before the Board, and the Board has jurisdiction over Respondent and the subject matter of this proceeding.
2. Respondent's conduct, as set out in the findings of fact and conclusions of law above, constitutes grounds for discipline pursuant to North Carolina General Statutes § 90-85.38(b) because Respondent's acts were in violation of 21 N.C.A.C. 46 .2801; 21 U.S.C. § 353(e); 21 C.F.R., Part 205; Ariz. Rev. Stat. §§ 32-1929 and 32-1982; and Ariz. Admin. Code § R4-23-607.
3. Respondent admits that the conduct in this matter constitutes sufficient grounds for disciplinary action on its permit under North Carolina General Statutes § 90-85.38(b).

**CONCLUSIONS REGARDING DISCIPLINE**

Based upon the foregoing Findings of Fact and Conclusions of Law, and with the consent of the Respondent, IT IS THEREFORE ORDERED that the permit of Respondent Futrell Pharmacy Services, Inc. (Permit No. 3288) is hereby REPRIMANDED.

This the 16<sup>th</sup> day of February, 2016.

NORTH CAROLINA BOARD OF PHARMACY

By:



Jack W. Campbell, IV  
Executive Director

Futrell Pharmacy Services, Inc., the holder of permit number 3288, has full knowledge that it has the right to a formal hearing, at which it would have the right to be represented at its expense by counsel, in this matter. The undersigned freely, knowingly and voluntarily waives such right by entering into this Consent Order.

The undersigned understands and agrees that by entering into this Consent Order, it certifies that it has read the foregoing Consent Order and that it voluntarily consents to the terms and conditions set forth therein and relinquishes any right to judicial review of Board actions which may be taken concerning this matter.

The undersigned further understands that should it violate the terms and conditions of this Consent Order, the Board may take additional disciplinary action.

The undersigned understands and agrees that this Consent Order will not become effective unless and until approved by the Board.

The undersigned understands that it has the right to have counsel of its choice review and advise it with respect to its rights and this Consent Order, and represents that it enters this Consent Order after consultation with its counsel or after knowingly and voluntarily choosing not to consult with counsel. The undersigned certifies that its agent executing this Consent Order is duly authorized to accept the Consent Order on behalf of Futrell Pharmacy Services, Inc. and to bind the permit holder.

ACCEPTED AND CONSENTED TO BY:

FUTRELL PHARMACY SERVICES, INC. (Permit No. 3288)

  
\_\_\_\_\_ Date 1-18-16

By: Ned L. Clark

Title: Pharmacist-Manager

STATE OF North Carolina

Northampton COUNTY

I, the undersigned Notary Public of the County and State aforesaid, do hereby certify that the following person personally appeared before me this day and acknowledged the due execution of the foregoing document: Ned L. Clark.

Date: 1-18-16

  
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Notary Public  
Susan S. Britton

My commission expires: 10-18-20

